

Government Contracting Rules You Need To Know

By
Cliftena Carter
President / CEO
Carter Safety Consultants, Inc.



U.S. Department of Energy — 13th Annual Small Business Forum & Expo
June 10-12, 2014 - Tampa, FL

Government Contracting Rules You Need To Know

OBJECTIVES - After completion of this section, you will be able to:

Have basic understanding of Subcontracting

- Have a basic understanding of the Limitations on Subcontracting requirements found in federal contracts
- Be aware of other socio-economic programs conflicts with the basic clause
- Know how to apply that knowledge to bid/proposal preparation
- *Keep yourself out of trouble!*

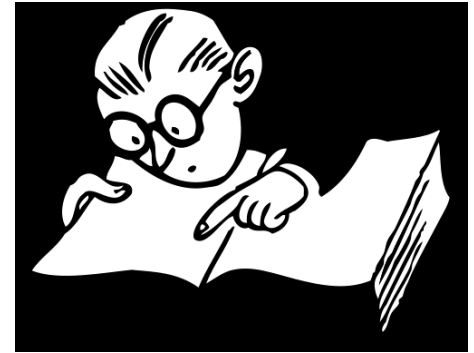
The Contracting Rulebook are Federal Acquisition Regulations and DFARS (Defense Federal Acquisition Regulation)

- No discussion of government procedures and rules is complete without talking about the basic rulebook for government contracts: the Federal Acquisition Regulation, commonly known as "the FAR."
- The FAR, which had its beginnings in the Armed Services Procurement Regulation established in 1947, is considered the rulebook for federal government contracting. The FAR contains all the rules governing the contracting process as well as all the forms and clauses used in contracts.
- The FAR has recently gone through a significant rewrite to reflect and implement all of the changes made by all the recent laws. In order to do business with the federal government, you definitely need to have a basic knowledge of what is in the FAR and how to use it.

Government Contracting Rules You Need To Know

- **REFERENCES**

- Small Business Jobs Act of 2010
- FAR Part 15.304 & DFAR 215.304
- FAR Part 19.7 Subcontracting Program
- FAR Part 19.13 HUBzone Program
- FAR Part 19.14 Service-Disabled Veteran-Owned Small Business Procurement Program
- FAR 52.219-14 Limitations on Subcontracting



Government Contracting Rules You Need To Know



The FAR is designed to be a guide, not a limiting rulebook. Under recent changes in the law, contracting officers can use "good business practices" that make sense in making decisions and in negotiating terms instead of having to consult a rulebook on each decision.

Government Contracting Rules You Need To Know

- **Small Business Jobs Act of 2010**
 - Became law Sept 27, 2010
 - Most significant piece of legislation for small business in over a decade
 - Requires higher accountability in Small Business Subcontracting from **large** prime contractors.
- **Thresholds changed for submission of a Small Business Subcontracting Plan**
 - \$650,000; or,
 - \$1.5M for construction

Government Contracting Rules You Need To Know

Other Jobs Act changes (Section 1321)-

- **Subcontracting Misrepresentations**

- Required the government to establish policy on small business subcontracting compliance
- Assignment of compliance responsibilities between the contracting/program offices and the SBA
- Established periodic oversight and review activities.

Government Contracting Rules You Need To Know

Other Jobs Act changes (Section 1321)-

- **Compliance**

- **Large** prime contractors are accountable to written goals in subcontracting plans. No Bait & Switch!
- Must explain in writing if it is unable to make a good faith effort to meet small business subcontracting goals.
- Failure to make a good faith effort can result in assessment of Liquidated Damages up to the amount specified in the subcontracting plan

Government Contracting Rules You Need To Know

Final Performance Evaluation

- **Government:**

- End of Contract period, final evaluation of achievement against contract goals is performed.
- Liquidated Damages are assessed if failure to meet goals is attributed to no good faith effort made.
- Performance is documented in Past Performance Information Retrieval System (PPIRS) for all Federal agencies to view.